

IN THE DISTRICT COURT OF OKLAHOMA COUNTY  
STATE OF OKLAHOMA

JAN 26 2023

RICK WARREN  
COURT CLERK

Oklahoma Department of Securities  
*ex rel.* Melanie Hall, Administrator,

Plaintiff,

v.

Premier Global Corporation, et al.

Defendants.

111

Case No. CJ-2022-5066

Judge Don Andrews

**REPLY BRIEF OF DEFENDANTS RICHARD DALE DEAN  
AND DDI ADVISORY IN SUPPORT OF MOTION TO DISMISS**

Defendant Richard Dale Dean and DDI Advisory ("the Dean Defendants") hereby submit this Reply Brief in support of their Motion to Dismiss. As shown below, through its improper group pleading, the Oklahoma Department of Securities ("Plaintiff" or "ODS") attempts to create the impression that (A) Mr. Dean controlled how Steve Parish used the investor funds that were entrusted to him, and (B) Mr. Dean was involved with raising approximately \$500 million when, pursuant to the allegations of the Petition, Mr. Dean could not have raised more than \$70 million. When the allegations of the Petition are examined in detail, however, it is clear that these are simply smoke and mirrors designed to obscure the fact that what the Petition describes as a \$500 million Ponzi Scheme is simply a case of theft by Mr. Parish, who is not before the Court.

**I. MR. DEAN DID NOT CONTROL PREMIER GLOBAL CORPORATION, WHICH WAS OWNED AND MANAGED SOLELY BY STEVE PARRISH.**

In their Joinder in the *Motion to Dismiss Plaintiff's Petition and Brief in Support of Defendants J&H Holdings, LLC, Kyle Blackburn, Mitzimack, Inc., Erika Greggs, James Scott Stanley, Edmond Brokerage, Inc., Brent Lee Worley, Byron Kent Freeman, and Karen Lynn Freeman* filed on December 16, 2022, the Dean Defendants showed that the ODS Petition relies to a significant extent on improper "group pleading." That is, Plaintiff routinely describes allegedly

wrongful conduct and attributes that conduct to "Defendants" generally, rather than to individual Defendants. Plaintiff exacerbates the prejudice from this group pleading by referring to the Defendants in ways that appear to be intentionally (or unintentionally) confusing.

For example, the Petition describes certain Defendants as "the Premier Defendants." This group was comprised of Premier Global Corporation; Premier Factoring, LLC; PF-2, LLC; PF-3, LLC; PF-4, LLC; PF-5, LLC; PF-6, LLC; PF-7, LLC; DDI Advisory Group, LLC; Premier Marketing Management; Steve Jonathan Parish; Richard Dale Dean; and Joshua Dane Owen. By including Mr. Dean and DDI Advisory as "Premier Defendants," Plaintiff attempts to create an impression that Mr. Dean and DDI Advisory controlled, along with Steve Parrish, **Premier Global Corporation, the primary entity responsible for investing investor funds in accounts receivables and the entity who controlled the funds.** See Petition at ¶ 6 (alleging that approximately \$525 million in investor funds were deposited in bank accounts "maintained by Premier").

In fact, however, Premier Global Corporation was controlled solely by Steve Parish. Petition at ¶ 12. Essentially, the ODS is trying to pass Mr. Dean off as a stand-in for Steve Parish in this litigation to distract from the fact that Steve Parish appears to have absconded with \$70 million of investor funds and the ODS, upon information and belief, has undertaken no investigation into his whereabouts.

**II. ALTHOUGH PLAINTIFF ARGUES THAT "THE PREMIER DEFENDANTS" TOOK \$525 MILLION FROM INVESTORS, THE SPECIFIC ALLEGATIONS OF THE PETITION INDICATE THAT MR. DEAN WAS RESPONSIBLE FOR ONLY A SMALL PORTION OF THESE FUNDS.**

By referring to numerous Defendants collectively as "the Premier Defendants," the ODS also attempts to obscure the total amount of funds that could ever, even accepting the allegations of the Petition, be attributed to the Dean Defendants. As noted above, the Petition alleges that the

Premier Defendants collected approximately \$525 million from investors as part of the so-called Ponzi Scheme. Petition at ¶ 6. The Petition alleges that the funds were raised through two separate methods: (1) Notes; and (2) Transferee Agreements. *Id.* at ¶ 49.

The Petition alleges that the Dean Defendants were involved only with the issuance of the Notes, and not the Transferee Agreements. The Petition further alleges that each of the seven (7) Premier Factoring entities engaged in an offering of \$10 million in Notes. Petition at ¶ 51. Even assuming that the full \$10 million was raised by each offering – an issue the Petition does not address – this would mean that the Premier Factoring entities raised a total of \$70 million through the Notes. Nevertheless, the Petition uses group pleading to represent to this Court that Mr. Dean (along with Mr. Parish) is the mastermind of a \$525 million Ponzi Scheme.

**III. THE RECEIVER'S REPORT REFLECTS THAT APPROXIMATELY \$70 MILLION IN INVESTOR FUNDS ARE MISSING AND, PRESUMABLY, EMBEZZLED BY STEVE PARISH.**

In the Petition, the ODS alleges that the Premier Factoring entities received approximately \$525 million from investors through the Notes and the Transferee Agreements, and that the returns paid to investors exceeded \$431,000,000. Petition at ¶ 6. Assuming the accuracy of Plaintiff's allegations, the Premier Factoring entities should, therefore, still have had control of approximately \$90,000,000 of the investors' funds as a result of the alleged Ponzi Scheme when the Receiver was appointed.

On December 28, 2022, the Receiver filed its first Monthly Operating Report, covering the reporting period ending November 30, 2022. *See* Exhibit 1 ("Monthly Operating Report"). The Receiver's report indicates that, the Premier Factoring entities' bank accounts held approximately



\$1.2 million, or less.<sup>1</sup> The Receiver also identified a variety of real and personal property worth approximately \$18 million.<sup>2</sup> Assuming the general accuracy of the ODS's allegations, the initial Monthly Operating Report should reflect a substantial amount of investor funds remaining, for instance the difference between the funds invested and the funds paid to investors, less the \$18-20 million reflected in the Receiver's first monthly report. The missing funds have apparently been embezzled by Steve Parish.

Shortly before the filing of the Petition on October 13, 2022, Steve Parish stopped responding to Mr. Dean and others and simply disappeared. Upon information and belief, Mr. Parish's whereabouts are unknown. His disappearance coincided with the cessation of interest payments to numerous investors who had purchased Notes from various Premier Factoring entities controlled by Mr. Parish. Locating Mr. Parish and any additional assets that he may have absconded with should be of primary importance to the ODS; it is certainly of enormous importance to the Investors and the other Defendants named in this proceeding.

Instead, by grouping the Defendants together under the "Premier Defendants" banner, the ODS is trying to create the illusion that they have the leaders of a criminal enterprise before the Court. The ODS Petition falsely and misleadingly implies that Mr. Dean was involved with raising \$525 million from investors, when the ODS knows he was only involved with less than 15% of the funds invested in Steve Parish's factoring business. As this litigation will reveal, there was no

---

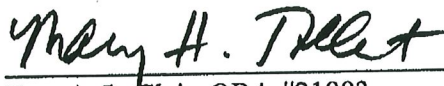
<sup>1</sup> During the first month of the receivership, the Receiver sold a Las Vegas property owned by Premier Global, which increased the cash in its accounts by approximately \$1.1 million.

<sup>2</sup> The Monthly Operating Report indicated that Mr. Dean had assets of approximately \$1.5 million. Nearly all of this amount consists of (a) Mr. Dean's home, which is subject to a \$260,000 mortgage, and (b) the proceeds from a Texas life settlement in the amount of \$672,372 a portion of which has been ear-marked for Mr. Dean's attorney fees and on-going living expenses.

Ponzi Scheme in the classic sense; there was a theft of investor funds by Steve Parish who has simply run away.

WHEREFORE, Defendants Richard Dean and DDI Advisory respectfully request that the Court enter an order dismissing the ODS Petition for failing to specify the role(s) of the individual defendants or alternatively dismissing the claims in the Petition.

Respectfully submitted,



Tara A. LaClair, OBA #21903

Bruce W. Day, OBA #2238

Mary H. Tolbert, OBA #17353

**Crowe & Dunlevy, P.C.**

Braniff Building

324 North Robinson Avenue, Suite 100

Oklahoma City, OK 73102

Telephone: (405) 235-7700

Facsimile: (405) 239-6651

tara.laclair@crowedunlevy.com

bruce.day@crowedunlevy.com

molly.tolbert@crowedunlevy.com

**ATTORNEYS FOR DEFENDANTS RICHARD  
DALE DEAN AND DDI ADVISORY GROUP,  
LLC**

### CERTIFICATE OF SERVICE

This certifies that on this 26th day of January, 2023, a true and correct copy of the above and foregoing was delivered to:

Patricia A. Labarthe  
Shaun Mullins  
Oklahoma Department of Securities  
204 N. Robinson, Suite 400  
Oklahoma City, OK 73102  
*Attorneys for Plaintiff*

*(via E-Mail and First Class Mail)*

Rollin Nash, Jr.  
Dennis S. Boxeur  
Nash Cohenour & Giessman, P.C.  
4101 Perimeter Center Drive, Suite 200  
Oklahoma City, OK 73112  
*Attorneys for Defendants Elkins & Assocs. Inc.*  
*And Clyde Edward Elkins*

*(via E-Mail and First Class Mail)*

J. Clay Christensen  
Jonathan M. Miles  
Brock Z. Pittman  
Whitney J. Dockrey  
Christensen Law Group, P.L.L.C.  
The Parkway Building  
3401 N.W. 63<sup>rd</sup> St., Suite 600  
Oklahoma City, OK 73116  
*Attorneys for Defendants J&H Holdings, LLC,*  
*Kyle Blackburn, Mitzimack, Inc., Erika Greggs,*  
*James Scott Stanley, Edmond Brokerage, Inc.,*  
*Brent Lee Worley, Byron Kent Freeman and*  
*Karen Lynn Freeman*

*(via E-Mail and First Class Mail)*

Jeanette C. Timmons  
Connors & Winters, LP  
1700 One Leadership Square  
211 N. Robinson Avenue  
Oklahoma City, OK 73102  
*Attorneys for Defendants J&H Holdings, LLC,*  
*Kyle Blackburn, Mitzimack, Inc., Erika Greggs,*  
*James Scott Stanley, Edmond Brokerage, Inc.,*  
*Brent Lee Worley, Byron Kent Freeman and*  
*Karen Lynn Freeman*

*(via E-Mail and First Class Mail)*

Hilary Allen  
Spencer Fane LLP  
9400 North Broadway Extension  
Suite 600  
Oklahoma City, OK 73114  
[hallen@spencerfane.com](mailto:hallen@spencerfane.com)  
*Attorney for Receiver*

*(via E-Mail and First Class Mail)*

  
\_\_\_\_\_  
Mary H. Tolbert